

APPLICATION FOR ALLOTMENT OF FUNDS
for

POST-WAR LOW-RENT PUBLIC HOUSING

submitted by

1. HOUSING AUTHORITY OF THE CITY OF NEWARK

December 22, 1944

Newark

2.7 neac

APPLICATION FOR ALLOTMENT OF FUNDS

for

POST-WAR LOW-RENT PUBLIC HOUSING

SUMMITTED BY

HOUSING AUTHORITY OF THE CITY OF NEWARK
Corporate Name of Local Housing Authority

Newark New Jersey
Locality State

	Number of family dwelling Units
White	4209
Non-White	<u>1371</u>
Total	5580

Estimated total development cost of all units. \$32,080,000.00

The above named Local Housing Authority requests the Federal Public Housing Authority to allot funds, when funds become available, for the financial assistance of low-rent housing projects as summarized above and as described in the pages attached hereto. It is understood that such allotment of funds will be tentative only, pending the submission and approval of Applications for Financial Aid with the FFHA.

In submitting this request, the Local Authority states its considered opinion that the proposed projects are consistent with a sound public housing program for the locality, and that none of the families to be served can afford to pay enough to cause private enterprise to build an adequate supply of decent, safe, and sanitary dwellings for their use.

The Local Authority further states its intent to proceed with the projects as soon as funds are allotted to it by the FFHA and permanent building materials become available, and, in any event, to enter into Contracts for Financial Aid covering all of the proposed projects within three years thereafter; to develop the projects in conformance with the United States Housing Act of 1937 (as amended); and to administer the projects so that the amount of annual contributions will be the minimum required to achieve rentals consistent with a sound public housing program.

Date

Signature of Officer Authorized
to Sign for Local Authority

Executive Director

Title of Authorized Officer

Part 1

THE LOCAL HOUSING AUTHORITY, PRESENT PUBLIC HOUSING PROGRAM
AND LOCAL COOPERATION

1. Members of the Local Housing Authority

The members of the Housing Authority of the City of Newark, their home addresses and occupations and the dates of their appointment, and the dates their terms expire follow:

Charles H. Schubert, Chairman - 592 Ridge Street, Newark, N. J. Investment Banker, appointed February 11th, 1942, reappointed, April 20th, 1944 - term expires April 20th, 1949.

George J. Campbell, Vice-Chairman - 55 Lincoln Avenue, Newark, N. J. Labor Representative, appointed February 11th, 1942 - term expires April 20th, 1945.

Servent Dumper, Treasurer, 375 Mt. Prospect Avenue, Newark, N. J. Realtor; appointed February 11th, 1942, term expires April 20th, 1946.

Rev. William P. Hayes, 272 South Sixth Street, Newark, N. J. Minister, appointed February 11th, 1942, reappointed, May 5th, 1943, term expires May 5th, 1948.

Dr. Carl A. Paccaro, 89 Grand Avenue, Newark, N. J., Doctor of Dental Surgery, appointed July 15th, 1941, reappointed, April 20th, 1942, term expires April 20th, 1947.

2. Technical Staff

The following comprise the Technical Staff of the Housing Authority of the City of Newark:

The Superintendent of Maintenance and Operations who is also Technical Director, has been in the general construction business for twenty-five years. When first employed by the Housing Authority, he was supervisor, and in the course of construction of the projects, was promoted Assistant to the Technical Director, and to the present position since 1940.

Chief Maintenance and Construction Inspector was originally employed by the Housing Authority as Assistant Clerk of the Works, and then Clerk of Works at Pyatt Court Project, N. J. 2-7. Since the completion of the project, he has been employed in his present position.

Stonemason was in the employ of heating contractors as a Supervising Foreman. He supervised the installation of the heating system of one of our projects. He has been in the employ of the Authority since 1942.

The Electrician has been employed by an electrical contractor as a Supervising Foreman. He supervised the installation of the electrical systems at projects operated and owned by the Authority. He has been with the Authority since 1942.

We have three plumbing mechanics, one of whom was a plumbing contractor, two of whom have been employed by plumbing contractors as supervising foremen.

The Authority employs two skilled masons. Since their employment with the Housing Authority, a considerable amount of original work has been corrected. One has been in the employ of the Authority since 1941, and the other, since early 1943.

The Authority employs three carpenters; two are capable of supervising carpentry work, and their employment with the Authority dates back prior to 1943.

All of the above building-trades mechanics are of proven ability as supervising foremen, able to read plans and interpret specifications and are particularly qualified to act as inspectors. It will be the policy of the Authority to entrust these men with the supervision of construction of any development program prior to and during the post war period.

3. Permanent legal area of jurisdiction of the Local Authority

The permanent legal area of jurisdiction of the Local Authority is the corporate limits of the City of Newark. The total number of dwelling units within this area, according to the census of 1940, was 116,757.

4. Public Housing Projects in locality, excluding temporary projects

In the following form are listed all public housing projects, consisting of permanent family dwellings, which are located within the permanent legal area of jurisdiction of the Local Authority. There are no public housing projects consisting of demountable family dwellings.

Total dwelling units

	All Races	White	Non-White	Completed		Average Gross Rent	Percent Vacant
				Units	Gross Rent		
PMA, PA-412 and PA-571 Projects							
No. NJ 2-1 Act PA-412	530	530	0	530	\$36.35	0.0	
NJ 2-2 Act PA-412	236	178	58	236	35.17	0.0	
NJ 2-5 Act PA-412	612	199	413	612	34.34	0.3	
NJ 2-6 Act PA-412	353	353	0	353	32.76	0.6	
NJ 2-7 Act PA-412	402	402	0	402	40.05	0.2	
NJ 2-8 Act PA-412	500	150	350	150	36.48	0.0	
	2433	1810	623	2433			

5. Other permanent and
demountable public
or housing family
projects

No. NJ 28072 Act 849	301	301	0	301	41.97	0.0
Total	301	301	0	301		

6. Total, all public housing

2734 2111 623 2734

7. Average gross rent per unit per month, including all utilities whether provided by project or purchased separately by tenants, and vacancies, as of end of quarter preceding the date of this application.

5. Occupancy status of present projects

- a. There are practically no vacancies, and there have been few since the projects were completed.
- b. The Housing Authority maintains a file of active applications of apparently eligible low-income families. There are 700 currently active applications of apparently eligible families now on file. In addition, there are thousands of other applications of apparently eligible families which have been removed from the currently active file because there has been no expression of interest within the last year. Applications are no criteria of need at this time, because:
 1. Publication of housing authority reports showing few or no vacancies discourages applicants.
 2. Manpower shortages and lack of vacancies require the refusal of all but the most urgent cases.
 3. Frequent changes in family composition and income, incident to the war effort, cause constant fluctuation in the number of eligibles in the pool.

6. Equivalent Elimination

In the following form is shown the equivalent elimination required for present PA-412 projects, and the amount which has been accomplished and reported to October 1st, 1944.

More units have been eliminated and not reported as of this date, and still other eliminations have been delayed, pending the easing of the current housing shortage.

Statutory Project	Number of units in Statutory Project			Number of dwelling units eliminated					
	Total	Complete or deferr.	Incompl.	Total	On	Off	Closed Ho-	sites	Demolished
1-1, 2-2, 2-5, 2-6 2-7, 2-8, PA-412	2433	2433	0	1836	610	1026	-	-	-
Total	2433	2433	0	1836	610	1026	-	-	-

7. Funds available for preliminary work on projects

- a. Funds or assistance are available from state, city or other local sources for:
 - (1) Studies, investigations, and general planning for the proposed program.
None at present.
 - (2) Preparation of plans and specifications for the proposed projects. YES from the State, to the extent of one-half of the cost.
- b. Funds or assistance probably will be provided by the City in the future for these purposes.

8. Community Support

Members of the Housing Authority are confident the program of public housing for low-income families presented in this application will win strong community support. This confidence is based on past expressions concerning public housing by civic leaders and organizations and individuals concerned with the health and well-being of the community. Evidence of this support will be forwarded at a later date as a supplement to this application.

9. Review of Program with Local Officials

This program is now under discussion with the City Planning Board and will be discussed fully with the Mayor and City Commissioners and other public officials. Copies of the official action of these bodies and officials will be sent as a supplement to this application.

10. Cooperation agreement

It is the opinion of the Local Authority that it will be possible to obtain a cooperation agreement with the City of Newark, providing for (1) payments in lieu of taxes in amounts not to exceed sums authorized under current policies applicable to the low-rent housing program, and (2) equivalent elimination in connection with the proposed program as required under the U.S. Housing Act of 1937, as amended.

11. War-time changes in the community

a. For many years, before the war, Newark was noted as a manufacturing center, with a wide diversification of large and small industries. Newark also was the home of numerous nationally known life, fire and casualty insurance companies, and other service organizations, and the retail and wholesale center of northern New Jersey.

Its industries turned out ships, elevators, steel, airplane parts, machine tools, electrical and other machinery, telephone, telegraph and radio equipment, roller bearings and automobile parts, drugs, cosmetics, jewelry, leather goods and precision instruments. The plants were readily converted and expanded for war work. Few new industries or complete new factories were needed to handle the huge volume of war orders that were poured into the Newark area.

As non-war industries and businesses contracted, workers were released to the expanding war plants. Additional workers were recruited, ~~from these same~~, committed from other parts of New Jersey, and the adjoining states of New York and Pennsylvania. Most industries went on a three-shift, seven-day basis.

The end of the war and reconversion will end double and triple shift, and six and seven day work weeks, releasing many industrial workers, but it is altogether likely, because of pent-up demand for the great variety of non-war goods that Newark produces, that reconverted industries will operate with more workers than before the war; many workers will be absorbed by the then expanding civilian businesses and others will return to their homes in nearby States.

During the war, there was comparatively little home-building in this area, the in-migrant workers taking up normal vacancies, living in overcrowded households, doubling up, occupying sub-standard houses which had been scheduled for demolition, or commuting from a distance.

In 1940, more than 30% of the dwelling units in the City needed major repairs or lacked private bath or inside flush toilet. In the four and a half years since that date, the number of homes in this category has increased; there have been few new homes built, other than public housing, and these have been offset by demolitions and closings.

The Housing Authority expects an expansion of Newark's normal industry and business after the war, but, even if Newark merely returns to its pre-war volume, there will be a heavy demand for homes.

The trend in Newark has been toward an increasing demand for homes for industrial workers within the city limits, close to places of employment, and this trend undoubtedly will continue.

PART II

NEED FOR LOW-RENT PUBLIC HOUSING AND PROPOSED THREE-YEAR PROGRAM

1. Area to which data in Part II apply: CITY OF NEWARK, N. J.

	Total	White	Non-White
2. Total present supply of family dwellings, excluding temporary public war housing			
a. Supply on April 1, 1940	91,985 *	80,150 *	11,835*
(1) Tenant-occupied.....	91,985 *	80,150 *	11,835*
(2) Owner-occupied.....	20,209 *	19,821 *	388*
(3) Vacant (racial distribution estimated).....	4,583 *	4,061	522
(4) Total.....	116,757 *	104,012	12,745
b. Completed since April 1, 1940			
(1) Private housing.....	253	253	0
(2) Low-rent public housing.....	2,199	1,636	563
(3) Public war housing, excluding temporary.....	301	301	0
(4) Total.....	2,753	2,190	563
c. Housing existing on April 1, 1940 which has since been demolished or taken out of housing use			
(1) Standard units.....	200	190	10
(2) Substandard units.....	759	207	552
(3) Total.....	959	397	562
d. Total present supply (Item 2a(4) plus 2b(4), less 2c(3)).....	116,851	105,208	12,746
3. Total present substandard family dwellings, excluding temporary public war housing			
a. Substandard housing on April 1, 1940			
(1) Tenant-occupied.....	30,102 *	22,036 *	8,066 *
(2) Owner-occupied.....	3,856 *	3,701 *	155 *
(3) Vacant (racial distribution estimated).....	1,749 *	1,587	162
(4) Total.....	35,707 *	27,294	6,413
b. Standard housing existing on April 1, 1940 which has since become substandard (estimated at 1.6% per year of standard supply for white, and 2.2% for non-white).....	5,915	5,525	390
c. Substandard housing existing on April 1, 1940 which has since been demolished, taken out of housing use, or rehabilitated			
(1) In connection with public housing projects (equiv. elimination since April 1, 1940)....	759	300	459
(2) Other....	2,247	1,830	417
(3) Total.....	3,006	2,130	876
d. Total present substandard housing (Item 3a (4), plus 3b, less 3c(3)).....	38,618	30,689	7,927
e. Substandard housing as % of total supply (Item 3d + 2d).....	32.6%	29 %	62.2%
4. Total present vacancies in substandard housing, excluding temporary public war housing.....	193	153	40
5. Number of families now living in substandard housing, excluding families living in temporary public war housing (Item 3d, less 4).....	38,423	30,536	7,887

* Sources: U. S. Bureau of the Census

1339

64 Percentage distribution of gross rentals, including all utilities, in tenant-occupied substandard family dwellings on April 1, 1940*

	White	Non-white
Less than \$3....	- %	- %
3 - 4.....	7	-
5 - 6.....	0.1	0.1
7 - 9.....	0.7	0.8
10 -14.....	6.0	7.3
15 -19.....	15.9	19.0
20 -24.....	23.9	28.6
25 -29.....	19.1	23.8
30 -39.....	20.3	17.1
40 -49.....	8.1	2.4
50 -59.....	3.2	0.5
60 -75.....	1.5	0.2
75 -99.....	0.8	0.1
100 and over....	0.3	0.1
Total	100%	100%

White Non-white

7. Families living in substandard housing and paying gross rents or rental equivalents high enough to induce private enterprise to provide an adequate supply of standard housing, either new or existing, for their use

a. Lowest gross monthly rents at which new average-sized standard dwellings for rent were being built in reasonable quantity by private enterprise in 1940			
(1) Monthly contract rent without furniture.....	\$ 50.00	\$	-
(2) Additional monthly cost to tenants for utilities not included in contract rent.....	\$ 10.00	\$	
(3) Gross monthly rent (7a(1) plus 7a(2)).....	\$ 60.00	\$	
b. Lowest gross monthly rental equivalent at which new average-sized standard dwellings for sale were being built in reasonable quantity by private enterprise in 1940			
(1) Selling price.....	\$ 5000.00	\$	-
(2) Monthly rental equivalent without utilities.....	\$ 50.00	\$	
(3) Cost per month of all utilities.....	\$ 10.00	\$	
(4) Gross monthly rental equivalent (7b(2) plus 7b(3)).....	\$ 60.00	\$	
c. Lowest gross monthly rent or rental equivalent at which an additional supply of average-sized standard housing, either new or existing, appears likely to be provided by private enterprise in reasonably substantial quantities and available to families of average size living in substandard housing, taking into account any possible decreases in the cost of new dwellings below 1940 levels through improved construction methods, etc., and also any increased availability of existing standard housing at lower rentals due to extensive new construction.....	\$ 40.00	\$	60.00
d. Monthly rent, or rental value, below which the market for low-rent public housing for average-sized families lies, allowing a <u>20%</u> margin of safety below the rental amounts shown in Item 7a in order to further avoid any possibility of competition with private enterprise.....	\$ 32.00	\$	32.00
Corresponding shelter rent for:			
White, <u>\$25.</u> ; Non-white, <u>\$25.</u>			
e. % of families living in substandard housing with gross monthly rents or rental equivalents above the upper limit of the low-rent public housing market, i.e., greater than the amounts shown in Item 7d (calculate from data in Item 8).....	30.2%		17%
f. Number of such families (Item 5 times percent in 7e).....	9,222		1,341

* Sources: U. S. Bureau of the Census

	White	Non-white
8. Number of vacant units of standard housing available to families living in substandard housing, i.e., standard units with rents below the upper limit of the low-rent public housing market (Item 7d).....	0	0
9. Families living in substandard housing with gross rents or rental equivalents below the lowest gross rents which can be achieved in low-rent public housing under a system of graded rents and with the financial assistance available under the U. S. Housing Act		
a. Lowest average monthly gross rent for all rent grades: \$22.00 xx xx		
b. Gross rent per month in lowest rent grade for average-sized families (Attach computing sheet at end of Part II),.....\$5.00	\$5.00 *	
c. % of families in substandard housing with gross rents or rental equivalents below rent in Item 9b. (Calculate from data in Item 8).....	0%	0%
d. Number of such families (Item 5 times percents in Item 9c). 0	0	0
10. Families in the low-rent public housing market		
a. Number of families (Item 5, less 7f, 8, and 9d).....21,314	6,548	
b. Number of families as percent of total present supply (Item 10a + 8d).....	20.1%	51.4%
c. Number of families as percent of all families living in substandard housing (Item 10a + 5).....	69.8%	85.0%
11. Public housing which will become or may become available to serve the low-rent public housing market		
a. Low-rent public housing temporarily converted to war use (PA-412W and PA-671)		
(1) Total dwellings.....	477	50
(2) Less number of present tenants who will probably be eligible for continued occupancy when these projects revert to low-rent status.....	239	40
(3) Number of dwellings which will become available as low-rent housing (Item 11a(1) less 11a(2)).....	238	10
b. Other public war housing which the Local Authority would want to acquire for use in its low-rent program if approved by the local government and authorized by the Congress (indicate these projects with double asterisk in the list called for in Part I, Item 4)		
(1) Total dwellings.....	0	0
(2) Less number of present tenants who will probably be eligible for continued occupancy if these projects revert to low-rent status.....	0	0
(3) Number of dwellings which may become available as low-rent housing (Item 11b(1) less 11b(2)).....	0	0
c. Low-rent public housing units under contract with FHMA but not completed (include deferred projects).....	0	0
d. Total dwellings (sum of Items 11a(3), 11b(3), and 11c).....	238	10
12. Net number of additional low-rent public housing units needed to accommodate families in the low-rent public housing market (Item 10a less 11d).....	21,076	6,536

- * While computations show that this low rent grade can be achieved, while using 80% of full subsidy, by housing a compensating number of families in the higher groups of the public housing market, it is not and will not be the policy of this Authority to accept tenants who are to pay much less than the relief rent allowance. This allowance is usually \$17.00-\$19.00. The Authority feels that tenants should not be accepted below a rent grade of approximately \$14.00.

	Total	White	Non-white
13. Number of low-rent public housing units which the Local Authority contemplates in its three-year program for which an allotment of funds is hereby requested			
a. Number of dwellings.....	5,580	4,209	1,371
b. Number of dwellings as percent of total present supply (Item 13a + 2d).....	4.7%	4.5%	10.8%
c. Number of dwellings as percent of all families living in substandard housing (Item 13a + 5).....	14.5%	13.8%	17.4%
d. Number of dwellings as percent of all families in low-rent public housing market (Item 13a + 10a)....	20.0%	19.7%	20.9%
e. Number of dwellings as percent of net number of low-rent units needed (Item 13a + 12).....	20.2%	20.4%	21.5%
f. Number of dwellings as percent of dwellings in 1940 in Local Authority's permanent legal area of jurisdiction (Item 13a + Item 3, Part I).....	4.8%	xx	xx

14. Sizes of families to be served in proposed three-year program

	Distribution of families in tenant-occupied substandard housing, April 1, 1940*		Distribution of families in proposed three-year program	
	White	Non-white	White	Non-white

	White	Non-white	White	Non-white
2 persons.....	26.2%	26.6%	21.2%	20.8%
3.....	22.2	21.5	24.1	30.4
4.....	19.4	17.3	23.8	19.1
5.....	13.8	11.9	18.0	18.6
6.....	7.9	7.7	6.1	5.8
7.....	4.6	6.0	5.4	2.7
8.....	2.5	3.3	1.9	1.2
9.....	1.5	2.0	1.4	1.3
10.....	0.9	1.0	.8	.3
11 persons and over...	1.0	1.8	.0	.0
Total	100%	100%	100%	100%

15. Rents in proposed three-year program and incomes of average-sized families to be served

	Total	White	Non-white
a. Monthly gross rent			
(1) Average all rent grades.....	\$22.00	xx	xx
(2) Highest rent grade for admission.....	xx	\$30.00	\$30.00
		32.00	32.00
b. Monthly shelter rent			
(1) Average all rent grades.....	\$15.00	xx	xx
(2) Highest rent grade for admission.....	xxx	\$25.00	\$25.00
		25.00	25.00
c. Annual family income			
(1) Average all rent grades.....	\$1050.	xx	xx
(2) Upper limit of highest rent grade for admission.....	xx	\$1500.	\$1500.

* Sources: U. S. Bureau of the Census

Part III

GENERAL DESCRIPTION AND COSTS OF PROJECTS TO BE BUILT UNDER THE PROPOSED THREE-YEAR PROGRAM

1. Changes To Be Made Based on Past Experience

Based on its experience in developing and operating six public housing projects with 2435 dwelling units the Housing Authority contemplates changes in exterior layout and design which will enhance the appearance of the projects, and in interior equipment and utility line facilities which will increase the efficiency and decrease the cost of maintenance. The bulk of new construction will be on slum or semi-slum sites. Lessons learned in re-landscaping and re-location of walls in the present projects will be applied in the site layout of the new projects. Criticisms that have been voiced of appearance of present projects will be weighed in planning the exterior design of the new projects. Kitchens will be equipped with combination sinks and laundry trays; laundry will be sufficient size to take care of needs of tenants. Shut-off valves for hot and cold water will be installed in every dwelling unit. Heating will be from a central plant, with oil burning furnaces. Other changes will be dictated by our experience as reflected in our management reports and cost analysis.

2. Number of Individual Projects In Proposed Three-Year Program

The Authority is planning approximately 18 projects with 350 to 400 dwelling units each, divided racially, 75% for white occupancy and 25% for non-white.

3. Types of Sites Anticipated

As far as can be determined at this time the proposed projects will be built on the types of site in the following form:

Number of Family Dwelling Units

	Total	White	Non-White
Vacant-sites	900	900	0
Semi-vacant sites	2000	1800	500
Slum-sites	2680	1809	871
Total	5580	4209	1371

4. Types of Structures

The Local Authority has under consideration two row housing projects and thirteen multiple or apartment type projects. It is proposed that the two row-housing projects shall contain 900 dwelling units. The multiple-dwelling type shall contain 4680 dwelling units.

5. Density

Density for row-housing projects will be approximately 20 dwelling units per acre and for the multiple-dwelling projects not in excess of 52 dwelling units per acre.

6. Size of Dwellings

The following tables give information as to the proportion of various size dwelling units, and the size of families to be housed, in the Housing Authority's contemplated program, (both as to White and Non-white):

WHITEDwelling Unit Size

Family Size	Total Families	1 BR	2 BR	3 BR	4 BR	5 BR	Families as a per-cent of Total
2 Persons	893	893					21.2
3 "	1014	446	568				24.1
4 "	995		795	200			23.5
5 "	760		227	533			16.0
6 "	268			200	56		5.1
7 "	142			67	75		3.4
8 "	73				67	12	1.9
9 "	57					57	1.4
10 "	11					11	.3
Total Families	4209	1389	1590	1000	200	80	100.0%
D. U's as a % of total	100%	31.8	37.5	23.7	4.8	1.9	

NON-WHITEDwelling Unit Size

Family Size	Total Families	1 BR	2 BR	3 BR	4 BR	5 BR	Families as a per-cent of Total
2 Persons	283	283					20.8
3 "	417	142	275				30.4
4 "	262		196	66			19.1
5 "	255		79	176			16.6
6 "	78			66	12		5.3
7 "	37			22	15		2.7
8 "	17				15	4	1.2
9 "	18					18	1.3
10 "	4					4	.3
Total Families	1371	425	550	330	40	26	100.0%
D. U's as a % of total	100%	31.	40.1	24.1	2.9	1.9	

COMBINED WHITE AND NON-WHITEDwelling Unit Size

Family Size	Total Families	1 BR	2 BR	3 BR	4 BR	5 BR	Families as a per-cent of Total
2 Persons	1176	1176					21.1
3 "	1431	588	843				25.6
4 "	1257		991	266			22.5
5 "	1015		306	709			18.2
6 "	336			266	70		5.0
7 "	179			89	80		3.2
8 "	96				80	16	1.7
9 "	75					75	1.4
10 "	15					15	.3
Total Families	5580	1754	2140	1330	240	108	100.0%
D. U's as a % of total	100%	31.6	38.4	23.8	4.5	1.9	

7. Community Facilities

Playgrounds, assembly halls, space for clinics, nurseries and libraries to be operated by appropriate community agencies will be provided for in the Housing Authority Plans. The number and size of such facilities will be determined after selection of sites and consultation with the agencies concerned, and will be based on past experience of the Housing Authority, and a survey of present facilities and future needs of the projects and the community. Discussions have taken place between representatives of the Welfare and Municipal Agencies and the Housing Authority, and such discussions will be continued.

8. Total Development Cost of Projects

Taking into account the type of sites, type of structures, density, size of dwellings, and community facilities contemplated by the Local Authority in its proposed program, the following is the best possible estimate of the total development cost, cost per unit by type of sites and average cost per unit that can be given at this time.

a. Total development cost per unit by types of sites.

On vacant land	<u>\$5,000</u>
On semi-vacant land	<u>\$5,750</u>
On slum land	<u>\$6,000</u>

b. Average total development cost per unit under the three-year program

\$5,749

c. Total development cost of all projects to be built under the three year program

\$32,000,000.

9. Annual Costs

The Local Authority believes it will be possible to manage and operate projects of the type and cost proposed so as to (a) achieve the gross rents, including all utilities, shown in Part II, Item 16, and (b) require annual contributions from the FFHA during the second to tenth years of operation not exceeding 80% of the maximum amounts authorized by the U. S. Housing Act.

The basis for our conclusion is our four years of operating experience, with our established average annual and operating budgets.

COMPUTATION SHEET FOR LOWEST CROSS RENT ACHIEVABLE UNDER U.S. HOUSING ACT

(Part II, Item 9 of Application for allotment of funds)

Average gross rent achievable \$22.00 (Item 9a)

1.	2.	3.	4.	5.	6.
	Difference from \$22.00	Families living in Substandard Buildings	6a Surplus or Deficit	6b Surplus by Cumulative Percent of Families	6c Cumulative Percent of Families
Families living in Substandard Buildings	midpoint of Class Interval	Average Gross Rent	Number	Percent (Col. 2x3a)	(Col. 2x)
white					
1. All (Item 5)	-	-	50,936	100.0	-
2. With gross rents above \$32.00 (Item 2b), upper limit of public housing market (Items 7a and 7b)			9,222	30.2	
3. Rents below upper limit of public housing market			21,514	69.8	-
Total (Item 5 less 7b)	-	-			
Non-white					
4. All (Item 5)	-	-	1,887	100.0	-
5. With gross rents above \$32.00 (Item 2b), upper limit of public housing market (Items 7a and 7b)			1,343	71.5	
7. Rents below upper limit of public housing market			654	35.0	-
Total (Item 5 less 7b)	-	-			
6. Total surplus (sum of pluses in Col. 4)					49,895
Non-white					
5. All (Item 5)	-	-	1,887	100.0	-
6. With gross rents above \$32.00 (Item 2b), upper limit of public housing market (Items 7a and 7b)			1,343	71.5	
7. Rents below upper limit of public housing market			654	35.0	-
Total (Item 5 less 7b)	-	-			
8. Total surplus (sum of pluses in Col. 4)					24,769
9. Total surplus (sum of pluses in Col. 4)					49,664

SUMMARY OF FINDINGS

- Gross rent per month in lowest rent grade for average sized families (To be entered in Item 9b) white non-white
- Families in substandard housing with gross rents or rental equivalents below this figure
 - Percent (To be entered in Item 9c) white non-white
 - Number (To be entered in Item 9d) 3 4